

MATRIMONY.COM LIMITED

Disclosures as specified Reg.14 of SEBI (Share Based Employee Benefits) Regulation 2014 and Rule 12(9) of Companies Share Capital and Debentures Rules 2014.

Details related Employee Stock Option Scheme 2014

i) Description of the scheme

Our Company adopted the Employee Stock Option Scheme (A) 2010 to reward its employees for their past association and performance. The scheme was amended and renamed as Employee Stock Option Scheme 2014 ("**ESOP Scheme**") by the Board of Directors vide resolution dated April 7, 2014 which was approved by the Shareholders vide resolution dated April 11, 2014. As per the certificate issued by statutory auditors, the ESOP Scheme is in compliance with applicable regulations, including relevant Guidance Notes or Accounting Standards issued by the Institute of Chartered Accountants of India in this regard, the Companies Act, 2013 and the ESOP Regulations.

Pursuant to resolutions of our shareholders dated November 19, 2010 and April 11, 2014 and resolution of our Board dated October 13, 2010 and circular resolution of the Board dated April 7, 2014, our Company has implemented the ESOP Scheme. Under the provisions of the ESOP Scheme, the shareholders have approved to grant up to 1,785,186 employee stock options exercisable into 1,785,186 equity shares of face value Rs. 3 each to eligible employees of our Company. Pursuant to consolidation of shares from Rs.3/- to Rs.5/-, the options granted were adjusted accordingly. As per the scheme, the minimum vesting period would be 1 year and maximum period is 5 years, from the date of grant. The exercise price shall be at a price which is not less than the face value per share. The options granted shall be exercised within 5 years from the date of vesting. The source of shares is primary.

Further, the shareholders have ratified the Pre-IPO scheme in terms of SEBI (Share based employee benefits) Regulations 2014, approved grant of options upto 955804 options exercisable into 955804 equity shares of Rs.5/- each including options already granted and approved the following amendments to ESOP 2014 vide resolution passed through postal ballot on January 2, 2018:

In case of Resignation/Termination other than for a cause/Retirement/Early retirement approved by the Company, all the vested options shall be exercised by the employee not later than one months from the date of resignation/retirement.

The grant wise information is given below

Grant	Date of Grant	Number of options granted	Vesting period	Manner of vesting
Grant 3, 4, 5 & 6	April 14, 2014	3,81,772	14-Apr-2015 to 01-Oct-2018	Eligible on a graded manner over four years and six months period with 30% of the grants vesting at the end of 12-30 months from the date of grant. The remaining 30% and 40% of the grants vest at the end of 24-42 months from the date of grant and 36-54 months from the date of grant respectively.
Grant 7 & 8	September 25, 2014	26,531	01-Apr-2016 to 01-Oct-2018	Eligible on a graded manner over four years period with 30% of the grants vesting at the end of 18-24 months from the date of grant. The remaining 30% and 40% of the grants vest at the end of 30-36 months from the date of grant and 42-48 months from the date of grant respectively.
Grant 9	July 17, 2015	80,000	01-Oct-2016 to 01-Oct-2019	Eligible on a graded manner over four years period with 25% of the grants vesting at the end of every 12 months starting from October 1, 2016.
Grant 10	February 9, 2016	9,600	01-Apr-2017 to 01-Apr-2020	Eligible on a graded manner over four years period with 25% of the grants vesting at the end of every 12 months starting from April 1, 2017.
Grant 11	June 30, 2016	2,000	01-Jul-2017 to 01-Jul-2020	Eligible on a graded manner over four years period with 25% of the grants vesting at the end of every 12 months starting from July 1, 2017.
Grant 12	March 21, 2018	10,200	01-Apr-2019 to 01-Apr-2021	Eligible on a graded manner over three years period with 30% of the grants vesting at the end of 12 months from the date of grant. The remaining 30% and 40% of the grants vest at the end of 24 months from the date of grant and 36 months from the date of grant respectively.
Grant 13	March 21, 2018	3,000	01-Apr-2019 to 01-Apr-2020	Eligible on a graded manner over 2 years period with 40% of the grants vesting at the end of 12 months starting from April 1, 2019. The remaining 60% of the grants vest at the end of 24 months from the date of grant.
Grant 14	March 21, 2018	3,600	01-Apr-2019 to 01-Apr-2020	Eligible on a graded manner over 2 years period with 40% of the grants vesting at the end of 12 months starting from April 1, 2019. The remaining 60% of the grants vest at the end of 24 months from the date of grant.

Grant 15	March 21, 2018	5,000	01-Apr-2019	100% of the grants will vest on April 1, 2019.
Grant 16	March 21, 2018	1,500	01-Apr-2019	100% of the grants will vest on April 1, 2019.
Grant 17	October 31, 2018	5,000	01-Nov-2019 to 01-Nov-2020	Eligible on a graded manner over 2 years period with 50% of the grants vesting at the end of 12 months starting from November 1, 2019. The remaining 50% of the grants vest at the end of 24 months from the date of grant.
Grant 18	October 31, 2018	10,000	01-Nov-2019 to 01 Nov-2022	Eligible on a graded manner over four years period with 25% of the grants vesting at the end of every 12 months starting from November 1, 2019.
Grant 19	February 12, 2019	12,000	01-Mar-2020 to 01-Mar-2022	Eligible on a graded manner over three years period with 33.33% of the grants vesting at the end of every 12 months starting from April 1, 2020.
Grant 20	May 9, 2019	45,200	09-May-2020 to 09-May-2023	Eligible on a graded manner over four years period with 25% of the grants vesting at the end of every 12 months starting from May 9, 2020.
Grant 21	February 5, 2020	19,300	05-Feb-2021 to 05-Feb-2024	Eligible on a graded manner over four years period with 25% of the grants vesting at the end of every 12 months starting from February 5, 2021.
Grant 22	March 24, 2020	16,100	24-Mar-2021 to 24-Mar-2024	Eligible on a graded manner over four years period with 25% of the grants vesting at the end of every 12 months starting from March 24, 2021.
Grant 23	May 20, 2020	45,200	20-May-2021 to 20-May-2024	Eligible on a graded manner over four years period with 25% of the grants vesting at the end of every 12 months starting from May 20, 2021.
Grant 24	November 5, 2020	20,000	05-Nov-2021 to 05-Nov-2024	Eligible on a graded manner over four years period with 25% of the grants vesting at the end of every 12 months starting from November 05, 2021.
Grant 25	February 4, 2021	15,300	04-Feb-2022 to 04-Feb-2025	Eligible on a graded manner over four years period with 25% of the grants vesting at the end of every 12 months starting from February 04, 2022.

- ii) Method used to account for ESOS (Intrinsic/Fair value): **Fair Value**
- iii) Difference between employee compensation cost so computed using the intrinsic value for expensing of the options computed at as computed and the employee compensation that shall have been recognized if fair value of options

computed: **Not Applicable**

iv) The impact of the difference on profits and on EPS of the Company: **Not Applicable**

v) **Option Movement during the year**

Sl. No.	Particulars	ESOS 2014
1.	Number of options outstanding at the beginning of the year	2,08,561
2.	Number of options granted during the year	80,500
3.	Number of options forfeited / lapsed during the year	37,100
4.	Number of options vested during the year	26,340
5.	Number of options exercised during the year	1,05,383
6.	Number of shares arising as a result of exercise of options	1,05,383
7.	Exercise price of the options granted during the year	1. Rs. 336.40 2. Rs. 655.85 3. Rs. 844.45
8.	Variation of terms of options	NIL
9.	Money realized by exercise of options (INR), if scheme is implemented directly by the company	1,60,58,273.25
10	Number of options outstanding at the end of the year	1,46,578
11	Number of options exercisable at the end of the year	26,438

Employee wise details of options granted to

Key Managerial Personnel	Mr. Sushanth S. Pai – 5,000 Options
Employees who received a grant in the year amounting to 5% or more of options granted during the year	Mr. Rajesh Balaji – 12,000 options
	Mr. Vaitheeswaran S – 5,000 options
	Mr. Sushanth S Pai – 5,000 Options
	Mr. Vinodha Priyan – 4,200 options
	Mr. Deviprasad T – 8,000 options
	Mr. Robert Irudhayaraj – 4,800 options
	Mr. Arjun Bhatia – 10,500 options
Identified employees who were granted option, during the year equal to or exceeding 1% of the Issued Capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil

- vi) Weighted Average Exercise Price of the options was Rs. 777.27/- (Face Value Rs. 5/- per share). The range of exercise prices for the options outstanding at the end of year was Rs. 103 to 844.45.
- vii) Description of the Method and significant assumptions used during the year to estimate the fair value of options
- a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model

The weighted average share price at the date of exercise of the options was Rs. 777.27/- (Face value Rs. 5/- per share).

The weighted average remaining contractual life for the share options outstanding as at March 31, 2021 is in the range of 0.50 to 4.92 years (March 31, 2020: 1.04 to 4.59 years).

Fair Value of Options granted on May 20, 2020 - Grant 23

Exercise Price:	Rs. 336.40			
Vesting Period	4 Years			
Inputs				
Stock Price Now (Ps)	Rs. 333.85	Rs. 333.85	Rs. 333.85	Rs. 333.85
Standard Dev - Annual (j)	47.68%	47.68%	47.68%	47.68%
Riskfree Rate - Annual (R)	5.15%	5.57%	5.85%	6.11%
Exercise Price (E)	Rs. 336.40	Rs. 336.40	Rs. 336.40	Rs. 336.40
Time To Maturity - Years (T)	3.50	4.50	5.50	6.50
Dividend yield (d)	0.23%	0.23%	0.23%	0.23%
Outputs				
d1	0.622	0.726	0.818	0.904
d2	-0.27	-0.285	-0.3	-0.311
N(d1)	0.733	0.766	0.793	0.817
N(d2)	0.393	0.388	0.382	0.378
Call Price (Vc)	Rs. 130.40	Rs. 149.15	Rs. 165.20	Rs. 179.48

Fair Value of Options granted on November 5, 2020 - Grant 24

Exercise Price:	Rs. 655.85			
Vesting Period	4 Years			
Inputs				
Stock Price Now (Ps)	Rs. 655.85	Rs. 655.85	Rs. 655.85	Rs. 655.85
Standard Dev - Annual (j)	57.91%	57.91%	57.91%	57.91%
Riskfree Rate - Annual (R)	4.85%	5.21%	5.62%	5.93%
Exercise Price (E)	Rs. 655.85	Rs. 655.85	Rs. 655.85	Rs. 655.85
Time To Maturity - Years (T)	3.50	4.50	5.50	6.50
Dividend yield (d)	0.45%	0.45%	0.45%	0.45%
Outputs				
d1	0.691	0.797	0.897	0.989
d2	-0.393	-0.432	-0.461	-0.487
N(d1)	0.755	0.787	0.815	0.839
N(d2)	0.347	0.333	0.323	0.313
Call Price (Vc)	Rs. 299.24	Rs. 338.26	Rs. 372.68	Rs. 402.28

Fair Value of Options granted on February 4, 2021 - Grant 25

Exercise Price:	Rs. 844.45			
Vesting Period	4 Years			
Inputs				
Stock Price Now (Ps)	Rs. 844.45	Rs. 844.45	Rs. 844.45	Rs. 844.45
Standard Dev - Annual (j)	48.35%	48.35%	48.35%	48.35%
Riskfree Rate - Annual (R)	5.14%	5.53%	6.07%	6.30%
Exercise Price (E)	Rs. 844.45	Rs. 844.45	Rs. 844.45	Rs. 844.45
Time To Maturity - Years (T)	3.50	4.50	5.50	6.50
Dividend yield (d)	0.18%	0.18%	0.18%	0.18%
Outputs				
d1	0.644	0.748	0.853	0.939
d2	-0.26	-0.278	-0.281	-0.294
N(d1)	0.740	0.773	0.803	0.826
N(d2)	0.397	0.390	0.389	0.384
Call Price (Vc)	Rs. 341.09	Rs. 390.25	Rs. 436.29	Rs. 474.18

b) Methodology for determination of volatility:

i) For Options granted on May 20, 2020

The annual volatility is calculated for the period from May 20 2019-May 20, 2020 from NSE which comes out 47.68%.

ii) For options granted on November 05, 2020

The annual volatility is calculated for the period from Nov 05, 2019-Nov 05, 2020 from NSE which comes out 57.91%.

iii) For options granted on February 04, 2021

The annual volatility is calculated for the period from February 04 2020 -February 04, 2021 from NSE which comes out 48.35%.

c) The method used and the assumptions made to incorporate the effects of expected early exercise

The total exercise period as per ESOS is 5 years from each vesting date. However the employees generally used to exercise the options in 3 years and hence we have taken an average period of 2.5 years as exercise period from date of each vesting.

d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition

NA

Disclosures in respect of grants made in three years prior to IPO under each ESOS

There are no other Employee Stock Option scheme other than the Matrimony.com Ltd Employee Stock Option Scheme 2014. The disclosures in respect of the scheme is given above.